

## DFID COUNTRY ENGAGEMENT PLAN FOR SOMALIA

### SUMMARY

1. Somalia has been without effective central government since 1991. Some fourteen reconciliation conferences have attempted, but failed, to bring peace and national unity over this period. The most recent effort has reduced but not ended violent conflict. In the north west, Somaliland has declared itself independent of Somalia. Somalia has high levels of disease and starvation, and poor social and economic indicators. It is judged to have the 6<sup>th</sup> highest child mortality rate in the world.

2. The UK's goal is a peaceful, politically stable, and economically viable Somalia. Within this, DFID's objectives are:

- (i) to help achieve a just and viable political settlement in Somalia.
- (ii) to work with others to establish the basis for effective development assistance, with an initial focus on improving governance and service delivery;
- (iii) to ensure timely provision of humanitarian relief.

3. In order to deliver this, DFID will:

- (i) work with other UK Government Departments, the EU, AU and UN, to help achieve, establish and consolidate a sustainable political settlement;
- (ii) improve the co-ordination and effectiveness of development and humanitarian assistance;
- (iii) wherever possible channel our development and humanitarian assistance through, or jointly with, other agencies (main multilateral donors, UN agencies, or major international NGOs);
- (iv) ensure our approach remains flexible, and focuses on areas where the UK can add particular expertise or understanding.

## 1. BACKGROUND

### Recent history

1.1 Somalia gained independence from Italy and Britain in June 1960. Since the fall of Mohamed Siad Barre, in January 1991, following the outbreak of civil war in the late 1980s, the country has been in a state of political turmoil. Despite 14 peace conferences, including that currently underway in Kenya under the auspices of IGAD, Somalia has had no effective national government for over a decade.

1.2 During the Cold War, Somalia was of great strategic interest to both the USSR and USA – given its strategic position in the Horn of Africa. In the 1980's it was per capita the most heavily armed and aid-supported country in Africa. Regional politics have been complicated by Somalia's claims on 'greater Somalia' (including Djibouti, parts of northern Kenya and Ethiopia's Region 5). This led to a war with Ethiopia in the 1970s. Ethiopia and Djibouti continue to wield significant influence over Somali affairs.

1.3 The recent history has three approximate phases. **State dissolution (1980's-1991)**: this started in the northwest of Somalia (Somaliland) with the revolt of the Somalia National Movement (SNM). The revolt, during which Hargeisa (Somaliland) was bombed in 1988, was joined by other clans and ended with the ousting of the President Siad Barre from Mogadishu in 1991. **Inter-factional armed conflict (1991-1999)**: this included a contest over the sovereignty of Somalia – and in Somaliland's case - self-determination and a unilateral declaration of independence in 1991; the pursuit of fertile land and assets such as seaports; and the development of armed protection rackets and looting mostly linked to the large scale aid operations in the country. **Political consolidation and localised violence (1999 – to date)**: Puntland under Abdullahi Yusef achieved a measure of stability in 1998. The last major inter-factional territorial battle was the ousting of Hussein Aideed's Somali National Alliance/ Hawiye clan by the Ethiopian-backed Rahanweyme Resistance Army from the Bay and Bakool region. Since then there have been major political contests over power – for example in Puntland and in Bay and Bakool, undermining the 'building block' approach adopted by many as a possible way for resolution of Somalia's conflict.

1.4 This last period saw a relative decline in the power of the warlords and a shift to businessmen particularly those with links in the Gulf; religious leaders; traditional clan leaders; and the three main sub-regional authorities (Somaliland, Puntland and the Rahanweyn). Business in particular has shifted from a standard war economy – particularly focused on predation of international aid and asset accumulation – to one focused on trade – including telecommunications, financial services and commodity transaction. Sporadic violence continues associated with the pursuit of local economic opportunity – such as kidnapping, robbery, and extortion.

## Peace Process

1.5 Various attempts have been made to install a national government in Mogadishu (in 1993, 1998 and in 2000). A Transitional National Government (TNG) and Assembly (TNA) was installed in Mogadishu in 2000 after the Arta peace conference. Without substantial bilateral recognition or support, its mandate (which expired in August 2003) and authority were contested internally and externally. The TNG was recognised by the UN, Africa Union and Arab League, and secured bilateral recognition from a few regional allies (e.g. Djibouti, Eritrea, Libya, Egypt). However it never exercised effective control over Somalia, or even Mogadishu. In the absence of agreement on a successor government, it continues to claim to be the operating government of Somalia.

1.6 In January 2002, IGAD heads of state called for a new round of peace talks between the TNG and its opposition (primarily the Ethiopian inspired SRRC alliance). This round started in Nairobi in October 2002 under IGAD's mandate with a Kenyan-led frontline states' facilitation committee. Somaliland chose not to participate. This process, which was much more inclusive than its predecessor, achieved a cessation of hostilities agreement which reduced, but did not end, violent conflict; a transitional federal charter, and in September and October 2004 the election of Abdullahi Yusuf Ahmed as President of the TFG. A transitional federal assembly is the next stage; and it appears likely that the International Community will have a set of institutions to deal with. In that event, the international community proposes a 3 part package:

1. An agreement (Declaration of Principles) outlining the political and diplomatic principles for its relationship with the TFG. This should incorporate agreed performance benchmarks to measure adherence to the principles;
2. An immediate modest advance package (Rapid Assistance Programme) to help the TFG to mobilise. This will be complemented by;
3. A fuller medium to long term reconstruction support programme over the five year transitional period.

A key element of the reconciliation process will be peaceful resolution of the issue of Somaliland through dialogue and negotiation. This will be a particularly difficult process, given Somaliland's poor relations with President Yusuf, and his clan-based claims on the Sool/Sanaag oil-rich territory.

## Current situation

1.7 The 2001 Somalia **Human Development Report** notes that 60% of the population were below the \$1/ day line (between 1985 and 1990). Per capita GDP is estimated to have declined from \$280 in 1989 to \$266 in 2001. About half of the estimated 7 million population are pastoral (although not necessarily nomadic) and the remainder agro-pastoral, riverine and urban. The economy is largely based on trans-national trade (e.g. sugar and electronic durables as well guns and drugs) and livestock (estimated worth

\$120 million in Somaliland alone in 2001). The livestock sector which has generally flourished despite the chaos, has been affected by a Saudi ban imposed when Rift Valley Fever was found in Somali cattle. There is a booming urban private sector particularly in services (tv/radio/telecommunications and internet). Somali wealth and trade penetration, especially in the Gulf and elsewhere in Africa, belie Somalia's poverty. The diaspora remits up to US \$1 billion per year, dwarfing the assistance of traditional Western donors (average \$130 million per year). Remittances finance a range of activities in private enterprise, service delivery and safety nets for the extended family networks. Unfortunately they also support the mild drug habit (Qat/Miraa) of a large part of the adult male population.

1.8 Thirteen years of insecurity and poor governance has resulted in a high level of **vulnerability** to humanitarian crisis. It is estimated that still only about 14% of primary-age children attend school. There are estimated to be less than 0.5 doctors and 2 nurses per 100,000 people. Although basic health and education services are delivered by UN agencies and NGOs the majority of schools are "community or local authority" owned and operated. Islamic agencies also provide health and education services, and in some areas their contribution is more important than support from the UN and western aid donors, although moves are now being made to deepen the latter's engagement. User charges are common across Somalia, inevitably resulting in exclusion of the poorest. **HIV/AIDS** is not yet seen as a major problem with estimates suggesting an incidence of less than 2% (although data is unreliable). There are however predisposing factors to higher rates, (such as proximity to heavily infected States containing large mobile Somali Diaspora populations, high incidence of STIs, limited medical facilities and a cultural belief that HIV is not an Islamic/Somali disease) and this may be expected to increase.

1.9 The **absence of a central government** is said to have limited effect on daily life with "local authorities" largely filling the vacuum. Certain other African countries are in parts as violent, chaotic and anarchic. Ordinary life is sustained by a rather vigorous economy based on pastoral and agro-pastoral livelihoods, and on trade. Commercial infrastructure and institutions are functional and relatively sophisticated. Service delivery is undertaken by a mixture of NGO and commercial interests. In Somaliland the authorities are beginning to take on some service delivery responsibilities.

1.10 **Lack of central government has, however, a noticeable and negative impact** in other important respects. The livestock industry lacks proper regulation, and certificate of origin regimes needed to meet phytosanitary requirements for international trade, thus affecting access to markets. The **lack of a monetary authority** has resulted in the frequent issue of 'counterfeit' Somali shillings, triggering inflation. The informal Hawala systems of remittances, while efficient, are unable to demonstrate compliance with international standards and regulations, and have in some cases been subject to legal sanctions as a result. And the absence of macro-economic management leaves the economy at the mercy of a cabal of businessmen

and money traders. **Environmental degradation**, caused by overgrazing and the expansion of the charcoal trade, goes unchecked. The seas around Somalia are over-fished by international fleets (Gulf, Japanese and European). There are also reports that Somalia and Somali waters are a dumping ground for toxic waste. Somalia has been used as a transit point for **terrorists**, although it has not been a major source of international terrorism. The attacks in East Africa in 1998 and 2002 involved movement of people and weapons through Somalia. In spite of the 1992 UN-imposed arms embargo, large quantities of weapons are known to pass into and through Somalia, fuelling internal conflict and regional crime/insecurity.

## **The clan system**

1.11 The mostly Muslim Somali society is based on a complex clan and sub-clan structure extending into Ethiopia, Kenya and Djibouti. Clan identity – a combination of family lineage and social ‘reconstruction’ – has become particularly important since the collapse of the state. There are 6 main clan groupings: the Dir, Darod, Isaq, Hawiye, Digil and Mirifle (aka Rahanweyne) plus small Bantu, Arab and other minority groups which are outside the main nomadic and largely pastoralist groups. Although much current power is in the hands of armed factions usually linked to business interests, the clan system still dictates allegiances and the faction leaders are largely divided along clan or sub-clan lines. Stability in Somaliland was brokered by the traditional leaders of the clans, and the Arta and Kenya reconciliation conferences selected “MPs” along clan lines.

## **2. CHALLENGES**

2.1 The principal challenge will be to move Somalia from its current state to a position where ordinary Somalis are safe and secure, and have access to basic services; wherein the country's economy can grow and produce wealth for the benefit of all the Somalis; and with which the international community can fruitfully engage. The establishment of a national government is widely regarded as an essential step in reaching this position. Even a basic form of government offers the prospect for outside agencies to help rebuild institutions, and infrastructure, and to identify opportunities to make sustained progress towards the MDGs. But this should not be at the expense of Somaliland where progress has been impressive – considering its context – and demonstrates what is possible given a modicum of stability. Establishing safe, secure access to justice in all areas is a key goal. The international community will have to evolve innovative methods for delivering assistance where local peace prevails. Security continues to be an issue however, and internal reconciliation with an implementable sanctions regime against those who seek to undermine it, must be achieved if progress is to be made.

## **3. UK OBJECTIVES**

3.1 The UK's objectives on Somalia have been agreed across all relevant Government Departments including the FCO, the Ministry of Defence (MoD), the Home Office and DFID. These objectives fall into 5 main areas:

establishment of a functioning and representative government, poverty reduction, humanitarian relief, promoting regional stability, and tackling arms, drugs and people trafficking. In the light of DFID's overall objective of poverty reduction, our efforts are focused on the first 4 of these priority areas.

3.2 The UK's goal is a peaceful, politically stable and economically viable Somalia. This will lead to and be supported by a sustainable reduction in poverty levels. DFID's strategy will be based around 3 main objectives.

**Goal: a peaceful, politically stable and economically viable Somalia leading to a sustainable reduction in poverty levels.**

**Objective 1: To help achieve a just and viable political settlement in Somalia**

**Objective 2: To work with others to establish the basis for effective development assistance, with an initial focus on improving governance and service delivery;**

**Objective 3: To ensure timely provision of humanitarian relief.**

#### **4. DFID's PROPOSED PROGRAMME**

4.1 The overall goal can only be achieved if political and poverty issues are together sufficiently addressed by the donor community working as a whole. To contribute to this goal DFID will:

- Work towards improving coordination and harmonisation mechanisms amongst the donor community to ensure the maximum benefit of our assistance.
- Wherever possible work through multilateral organisations or other agencies in order to minimise duplication and transaction costs.
- Need to maintain some flexibility, recognising that some opportunities identified here may close down while others, currently unforeseen, open up.
- Focus on those activities where the UK can add particular expertise or understanding. This will be based on a sound analysis of DFID's strengths and weaknesses in comparison to other donors.

4.2 Our approach as laid out in this CEP will be sensitive to the factors that can contribute to conflict in Somalia in accordance with OECD-DAC guidelines on Helping Prevent Violent Conflict. We will also draw upon the World Bank-led conflict analysis to inform our programme in Somalia.

4.3 As well as looking to provide support to Somalia as a whole, we will also continue to look for specific opportunities to strengthen our support to Somaliland, given the positive moves towards greater social stability and democracy there. We will also consider capacity building support to Puntland

possibly linked to democratic elections as a potential trigger for increased international support. A list of current and possible projects being undertaken in Somalia as a whole and Somaliland is attached.

## 5. THE UN AND OTHER DONORS

5.1 The UN has a humanitarian and development programme of assistance to Somalia headed by a UN Humanitarian and Resident Co-ordinator based in Nairobi, but travelling frequently to Somalia. The UN has also deployed a Special Envoy of the Secretary General to help achieve a political settlement and to inform the 6 monthly UNSC meetings on Somalia.

5.2 Recent OECD DAC work has emphasised the particular importance of adapting donor co-ordination and enhancing policy coherence in difficult partnerships, such as with Somalia. The work has underlined the need for increased efforts in: sharing analysis; building common criteria for assessment; tasking focal lead agencies; and building on the comparative advantage of both bilateral and multilateral agencies.

5.3 The selection of DFID's 3 CEP objectives is based on Somalia's priority needs; the comparative advantage of DFID and our implementing partners, in particular related to the professional resources we can deploy; and the strategies and programmes of the principle development agencies with which, as far as possible, we will work, in partnership (see table below), rather than developing separate DFID sectoral programmes. A principal challenge will be limited donor interest in and funding to Somalia. Although pledges in 2003 totalled \$272m (including \$120m from the EC and \$19m food aid from the USA – expenditure is unlikely to be much above the average \$150m of the past years.

Sector	Development Partners
Education	DFID, EC, Denmark, Egypt, Finland, Italy, Netherlands, Norway, Sweden, USA, NGOs, UN, UN, UN
Food Security and Rural Development	EC, ECHO, Belgium, Denmark, Finland, Italy, Netherland, Norway, Switzerland, USA, World Bank, NGOs, FAO, UN, WFP
Governance	DFID, EC, Canada, Denmark, Finland, Germany, Italy, Norway, Sweden, USA, NGOs, UN, ILO
Health and Nutrition	DFID, EC, ECHO, Denmark, Finland, France, Germany, GFATM, Italy, Japan, Netehrlands, Norway, Sweden, USA, World Bank, NGOs, UN, WHO
Water, Sanitation and Infrastructure	EC, ECHO, Denmark, Germany, Japan, Netherlands, Norway,

	Sweden, Switzerland, USA, NGOs, ILO, UN, WHO
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5.4 The EC is the largest donor to Somalia. The EC's 5-year development strategy focuses on a multi-sectoral approach to enhance good governance; reduce widespread vulnerability; give access to social services; and build economic growth and diversification. Most of the EC's and other bilateral funds are delivered either through the UN Agencies or international NGOs. The EC has also been the principal financier of the Nairobi-based Reconciliation Talks which began in 2002.

5.5 A new World Bank /UNDP LICUS<sup>1</sup> Programme, launched in 2003, provides: support to: macro-economic data collection & analysis; creation of an enabling environment for the livestock and meat industry; support to the Somalia Aid Coordination Body (SACB) Action Plan to Address HIV/AIDS; and deliver capacity building for skills development through centres of training. As well as funds from UN agencies, international NGOs and a number of bilateral donors, there is a high, but unquantified, level of support from Islamic NGOs and other agencies, largely to health and education.

5.6 The SACB, which was established in 1994, is a voluntary EC-funded coordinating body for donors and international NGOs, which provides the central framework for a common approach for the allocation of international aid to Somalia. Its future role in the post-Nairobi international engagement is under discussion.

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<sup>1</sup> Low Income Countries Under Stress (LICUS)



**External Assistance**

**Total Donor Funds disbursed and pledged in 2003: \$271.6 million made up of:**

UN Core Budget	\$26.7m
Bilateral Donors	\$236.3 m*
International NGOs	\$8.6m

\* The SACB donor report treats ECHO, EU and World Bank as Bilateral Donors.

**Bilateral Donors US\$236.3m**

European Commission \$120.6 m; USA \$29.6m; Italy \$17.8m; GFATM\* \$14m; ECHO \$10m; Norway \$8.9m; Denmark \$6.9m; Sweden \$6.6m; UK \$6.4m; Netherlands \$3.6m; Canada \$2m; Germany \$1.8m; World Bank \$1.6m; Egypt \$1.6m; Finland \$1.4m; Belgium \$1.4m; Japan \$1.0m; Switzerland \$0.5m; France \$0.076m; Australia \$0.005m.

\* Global Fund to Fight Aids, TB & Malaria

**Bilateral Donors Sectoral Breakdown:**

Governance: \$46.0m; Food Security:\$49.2m; Education:\$32m; Health:\$50.7m (GFATM \$14m); Water & Sanitation:\$23.9m; Other \$34.5m.

Data Source: Somalia Aid Coordination Body 2003 Donor Annual Report

## **6. DFID Programme Activities and Resources**

DFID's programme in Somalia will have 3 broad objectives – see below. Given the need for flexibility under each objective the specific strategies for our support will evolve, based on current assessments of where results can be achieved. We will also develop output indicators, to demonstrate the effectiveness of our support under each objective.

### **Objective 1: To help achieve a just and viable political settlement in Somalia**

6.1 DFID's broad conflict prevention objective in Somalia is to support processes that lead to a comprehensive settlement of Somalia's political, security and socio-economic problems. The UK supported the IGAD led national reconciliation process, and funds community based peacebuilding initiatives.

6.2 The objective has 4 elements:

#### **i) Support to the National Reconciliation Process**

DFID will continue to support the post-IGAD process as long as progress is being made. DFID is ready to contribute to the costs of installing the TFG and other Transitional Constitutions in Somalia. We expect that personal and community security will be a priority for the new government and will look to support critical post-conflict

processes, such as continuing political dialogue within the country, help with improving governance, and in particular getting policing and justice services up and running

## **ii) Support to Local Reconciliation and Dialogue**

Power is fragmented, and highly localised among a variety of military, business, religious and traditional groups contesting for influence and control. Arbitrating between these competing interests will essentially be a task for the Somalis themselves. DFID will support – as part of the national process – those involved in facilitating local reconciliation.

## **iii) Support to any Ceasefire Monitoring System and Peace Agreement**

The African Union, with UN support, is leading the process of developing a ceasefire monitoring mechanism. DFID is ready to provide funds for technical advice and specialist support to these activities. Given that a formally adopted UN peace support operation is unlikely at this stage, considerable donor funds may be required to support any peace agreement.

## **iv) Support to an Arms Embargo Monitoring system**

Following the recent publication of a report by the UN Panel of Experts on arms trafficking in breach of UN resolutions, DFID is ready to continue providing funds to assist the UN Security Council to continue its monitoring activities and to develop an appropriate sanctions mechanism.

## **Mechanisms**

6.3 DFID support to the costs of implementing a post-IGAD political settlement will be part of an internationally agreed package of assistance for the transition period. Working within the EU we will seek to ensure that these are linked to a set of performance benchmarks on how the transitional federal government will work constructively towards reconciliation, stability and reconstruction. These benchmarks are likely to cover achievement of an effective ceasefire; maintenance and stability within and between the different regions of Somalia; disarmament and demobilisation; rule of law; protection of humanitarian access; and progress towards full democratic governance.

6.4 A key element of the reconciliation process is a peaceful resolution of the issue of the status of Somaliland. Within the EU we will press for a clear linkage between international support for the political settlement and the readiness of the authorities in Mogadishu and Hargeisa to resolve the question of Somaliland's status through dialogue and negotiation.

6.5 DFID is one of 4 donors supporting a Somalia Conflict Assessment which will provide the basis for developing, in collaboration with other donors, a longer-term conflict prevention strategy, and contribute to the effective delivery of assistance to Somalia. This Conflict Prevention Strategy will provide the key framework for supporting work in this area based on an agreed division of labour among donors. Alongside our bilateral and multilateral work, we will develop strategic partnerships with NGOs which have a strong track record in conflict prevention and peacebuilding. To support our work in this area we will draw on the British Government's Africa Conflict Prevention Pool resources.

**Objective 2: To help establish the basis for effective development assistance, with an initial focus on improving governance and service delivery**

6.6 The weakness of state structures and the lack of security in much of Somalia mean that the aid modalities we often use to provide development assistance e.g. programmes within the context of government sector plans are not appropriate at this stage. Where administrations do exist, in Somaliland, some accountability has been built up through the election process. The provision of development assistance needs to be handled carefully so as not to undermine this. The international community therefore needs to work to create the conditions for development assistance to be productive and to be innovative in how such assistance is provided.

6.7 We will work in a harmonised way with others, reducing transaction costs for Somalis. In practice this is likely to mean working closely with the EC, UN agencies, the World Bank and possibly with selected bilateral partners. We will participate in the new coordination framework. DFID's role will be to make available our resources and technical expertise to our partners within common programmes. DFID is also supporting preparation of a World Bank Country Economic Report which will also inform development agencies and the TFG on effective delivery of longer term assistance under the planned Reconstruction and development Programme.

6.8 We have identified the delivery of basic services and governance as specific areas of focus because:

- Governance issues are at the heart of Somalia's problems and are fundamental to building a framework for development assistance.
- It would be appropriate to seek to build on the humanitarian support currently provided to try to develop longer-term systems for reducing chronic poverty.

6.9 A geographic focus of our work will be those areas of Somalia that have made progress in establishing reasonable conditions for development. The regional administrations of Somaliland and Puntland have established the conditions that facilitate a move away from a solely emergency response, towards development activities. This is particularly the case in Somaliland, where some of the conditions for poverty reducing activities are in place.

## **i) Governance**

Among the many relevant governance issues, we will focus on helping to re-establish the rule of law, personal security and on supporting the democratisation process to improve the accountability of the authorities to the Somali people.

We will discuss with partners how we can support longer-term programmes of support for democratisation in Somaliland and other parts of Somalia as this becomes possible. This will build on past DFID support to the local and presidential elections in Somaliland. In collaboration with the EC and other donors we will consider providing support to the forthcoming parliamentary elections in Somaliland and to local elections in Puntland.

Working with the World Bank, we will look for ways of assisting the Somaliland Government with its financial management, revenue collection, and development planning e.g. through technical assistance for development of a poverty reduction strategy. Though we will work closely with local administrations, funds will not be channelled through them for the time being.

Provision of security and the rule of law are key to making development possible in Somalia. We have made a contribution to UNDP piloting work to strengthen the provision of justice. We will review this programme and consider whether further support should be provided.

## **ii) Service delivery (including HIV/AIDs)**

DFID will support an integrated approach for increased access to basic education and health services, including water and sanitation, in Somalia. Inter alia we will seek to contribute towards a progressive resolution of the problem of user fees (para 1.8). Necessary systems building will depend on progress in governance and stability and the authorities' readiness to prioritise these areas e.g. we are supporting a request by the Somaliland authorities for an examination centre to be based in Somaliland. Resources potentially available through World Bank grants and the Global Fund will help increase prospects for sustainability. Initially, we intend to build on experiences elsewhere where basic services are provided in difficult governance environments (including in Ethiopia and Sudan).

The issue of HIV/AIDS will be addressed as part of our overall support to the health sector. The Somalia Aid Coordination Body has recently developed a new strategy to address HIV/AIDS in Somalia, which we plan to support alongside the Global Fund and other donors. Concurrently, DFID might be prepared to support NGO's over longer time periods with proposals which match the strategy's objectives.

## **Mechanisms**

6.10 We will explore opportunities to provide support through common resource pools, for example the UN Consolidated Appeal and the HIV/AIDs pool coordinated by SACB. We will also look at providing parallel funds to multilateral programmes, particularly the UN, the World Bank and the EC. We will also support the SACB or any successor body to expand its pooled resource mechanisms. Recognising the unique role local and international NGOs play in the Somalia context, we will retain the option of working directly with NGOs for specific activities that are complementary to our evolving partnership approach. We will also ensure that strengthening local capacity is a core part of our work with multilateral agencies, as building capacity and sustainability will be key to ensuring that local organisations do not become dependent on external financing. This partnership arrangement will allow us to draw on our partners' knowledge, experience and organisational strength in Somalia. We will look at prospects for secondments and long-term partnership agreements with the EC and World Bank. Joint office arrangements e.g. with like minded donor partners will also be considered as part of our longer term strategy. We will also work with others to develop mechanisms for engaging the Somali diaspora in assisting with national and sub-state recovery and reconstruction, either through technical assistance or other remittance-related activities.

### **Objective 3: To ensure timely provision of humanitarian relief**

6.11 The Somali population, due to continued instability and severe poverty, remains highly vulnerable to climatic and conflict based crisis. DFID will match its continuing humanitarian programme to assessed need. Humanitarian assistance to Somalia will address immediate and critical needs in order to reduce suffering and save lives.

6.12 We will also support INGOs who are on the ground in Somalia, primarily providing health or public health services. These are often best placed to identify and respond to crisis.

6.13 In line with our Good Humanitarian Donorship commitments we will also enhance the capacity of the UN to assess and respond to crisis, and to ensure that the key NGOs and international organisations in Somalia maintain the ability to respond effectively to core humanitarian requirements.

### **Mechanisms:**

6.14 The chronic nature of the crisis in Somalia requires that we develop a humanitarian funding strategy that allows DFID to focus its humanitarian programming and tackle not only immediate life saving requirements but provide the basis for some decentralised medium to longer term support. We

will work through a limited number of agencies, the largest and most effective humanitarian UN agencies and NGOs, in order to keep our transaction costs down and to maximise efficiency. Where possible, we will use a programmatic approach i.e. providing funding to key partners up-front against a jointly agreed set of objectives. This will enable agencies to be more flexible and responsive to a quickly evolving situation on the ground. However, security and access are the main issues to contend with, and will affect the already critical humanitarian situation.

## **7. DFID RESOURCES**

7.1 DFID has limited management and advisory resources to bear on the Somalia country programme. The programme is managed by DFID's Great Lakes and Horn Department in London, supported by a DFID representative temporarily attached to the British High Commission in Nairobi. The DFID representative is the main contact point with development agencies working locally and with the SACB.

7.2 UK development support to Somalia continues to increase, although because of the range of demands elsewhere it will remain limited for the time being. Anticipated financial resources are £8 million in 2004/05 and some £8 million 05/06. A clear focus for DFID engagement remains imperative, to ensure that our limited resources are deployed effectively.

2003/04	2004/05	2005/06
£ 3.5 (including conflict pool)	£8 million (excluding conflict pool)	£8 million (excluding conflict pool)

7.3 We will aim to contribute to the envisaged international support package for the new TFG once this is agreed.

## 8. RISK TABLE

Key Risk	Likelihood	Potential Impact	Mitigation activities
Failure to establish a new and representative government in Somalia leads to increased conflict on ground and threatens delivery of aid	Medium	High	<ul style="list-style-type: none"> <li>Continual assessment of conflict situation</li> <li>Diplomatic interventions with warring parties – increased pressure on “spoilers” outside the country</li> <li>Support to OCHA/UNSECORD to protect aid personnel</li> <li>Fund increased grass-roots reconciliation support</li> <li>Limit interventions to “traditionally” peaceful areas</li> <li>Work to identify alternative reconciliation approaches for peacebuilding</li> </ul>
Conference succeeds but warlord dissenters undermine new Transitional Federal Government (TFG) through conflict	High	High	<ul style="list-style-type: none"> <li>Work with UNSC members to introduce and implement early smart sanctions regime on spoilers inside and outside Somalia</li> <li>Work with TFG, donors and civil society to promote reconciliation on the ground</li> <li>Support AU peacekeeping</li> </ul>
Insufficient planning of TFG’s role, and limited timely international support leads to loss of TFG credibility	Medium	High	<ul style="list-style-type: none"> <li>Play active role in donor co-ordination and with EC and World Bank</li> <li>Influence TFG and international community to prioritised “lean and mean” short/medium term plans.</li> <li>Influence donors to work together to maximise benefits of limited funds</li> <li>Support capacity building of new TFG in critical sectors</li> <li>Support grassroots peacebuilding and reconciliation.</li> </ul>
Unsatisfactory South- TFG/ Somaliland dialogue leads to conflict	Medium	High	<ul style="list-style-type: none"> <li>DFID relief strategy to ensure rapid humanitarian response as part of multi-lateral response</li> <li>Influence parties to hold back and urge resumption of peaceful dialogue</li> <li>Direct and indirect efforts to contain and limit fighting</li> </ul>
Recurrent humanitarian crisis, continuing high levels of humanitarian need undermine	High	High	<ul style="list-style-type: none"> <li>Continued support for humanitarian relief on the ground</li> </ul>

support to social sector relief			<ul style="list-style-type: none"> <li>• Reduce expectations of systematic improvement in delivery of basic services</li> </ul>
Security threat increases and prevents access to areas in critical need of support.	Medium	High	<ul style="list-style-type: none"> <li>• Continual assessment of conflict situation</li> <li>• Work through NGOs on the ground to minimise impact of withdrawal of international staff</li> <li>• Support to OCHA/UNSECORD to protect aid personnel</li> <li>• Recognise the increased costs borne by INGOs to ensure safety of staff</li> <li>• Support international engagement to promote reconciliation</li> </ul>